



GASCO
DISTRIBUTION SYSTEMS, INC.

4445 EAST PIKE

ZANESVILLE, OH 43701

OFFICE 740 454-6198

FAX 740 454-7780

December 23, 2009

RECEIVED

DEC 28 2009

PUBLIC SERVICE
COMMISSION

Ms Beth A. O'Donnell
Commonwealth of Kentucky
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

2009-00539

Dear Ms O'Donnell:

Attached please find one original filing and five copies of the quarterly report of gas cost recovery rate calculation for rates to be effective February 1, 2010. In addition you will find an original and five copies of our written surcharge report for this reporting period. Please have one copy of the filing as well as a copy of the surcharge report time-stamped and returned to us in the self-addressed stamped envelope.

If there are any questions concerning the filing, please call me at 740-454-8871 extension 113. Thank you for your cooperation in this matter.

Very truly yours,

Trina L. King
Secretary

TLK

Enclosure

GASCO DISTRIBUTION SYSTEMS, INC.

QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Date Filed:

December 23, 2009

Date Rates to be Effective:

February 1, 2010

Reporting Period is Period Ended:

October 31, 2009

SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	9.3655
+ Refund Adjustment (RA)	\$/Mcf	-
+ Actual Adjustment (AA)	\$/Mcf	0.4655
+ <u>Balance Adjustment (BA)</u>	\$/Mcf	<u>(0.0288)</u>
= Gas Cost Recovery Rate (GCR)	\$/Mcf	<u>9.8022</u>

GCR to be effective for service rendered from February 1, 2010 to April 30, 2010

A.	<u>'EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II)	\$	237,473
	+ Sales for the 12 months ended October 31, 2009	Mcf	25,356
	= Expected Gas Cost (EGC)	\$/Mcf	9.3655
B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Ach. III)	\$/Mcf	-
	+ Previous Quarter Supplier Refund Adjustment	\$/Mcf	-
	+ Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	-
	+ Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	-
	= Refund Adjustment (RA)	\$/Mcf	-
C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	1.8275
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	-0.5982
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	-0.4470
	+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	-0.3168
	+/- Other cost adjustments	\$/Mcf	0
	= Actual Adjustment (AA)	\$/Mcf	0.4655
D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	0.0386
	+ Previous Quarter Reported Balance Adjustment	\$/Mcf	(0.0674)
	+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	-
	+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	-
	= Balance Adjustment (BA)	\$/Mcf	(0.0288)

10 Years Ending 11/09

SCHEDULE II
EXPECTED GAS COST

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Actual Mcf	(5) ** Projected Rate	(6) (4) x (5) Cost	
The Titan Energy Group, Inc.	Nov-09	1,786	1.035	1,726	7.4654	12,885.28
The Titan Energy Group, Inc.	Dec-09	3,561	1.035	3,441	7.4654	25,688.44
The Titan Energy Group, Inc.	Jan-10	5,818	1.035	5,621	7.4654	41,963.01
The Titan Energy Group, Inc.	Feb-10	4,601	1.035	4,445	7.4654	33,183.70
The Titan Energy Group, Inc.	Mar-10	3,556	1.035	3,436	7.4654	25,651.11
The Titan Energy Group, Inc.	Apr-10	1,630	1.035	1,575	7.4654	11,758.01
The Titan Energy Group, Inc.	May-10	985	1.035	952	7.4654	7,107.06
The Titan Energy Group, Inc.	Jun-10	704	1.035	680	7.4654	5,076.47
The Titan Energy Group, Inc.	Jul-10	751	1.035	726	7.4654	5,419.88
The Titan Energy Group, Inc.	Aug-10	692	1.035	669	7.4654	4,994.35
The Titan Energy Group, Inc.	Sep-10	775	1.035	749	7.4654	5,591.58
The Titan Energy Group, Inc.	Oct-10	1,383	1.035	1,336	7.4654	9,973.77
Sub-total		26,242		25,356		\$189,292.68

Add in: Annual East Tennessee Demand Charge \$4,015.00 x 12 mo. \$48,180.00

\$237,472.68

Line loss for the 12 months ended is _____ - or 0.00% based on purchases of 25,356
Mcf and sales of 25,356 Mcf.

	Unit	Amount
Total Expected Cost of Purchase (6) (See attached schedule)	\$	\$237,472.68
/ MCF Purchases (4)	Mcf	25,356
= Average Expected Cost Per Mcf Purchased	\$/Mcf	9.3655
x Allowable Mcf purchases (must not exceed Mcf Sales / .95)	Mcf	26,691
= Total Expected Gas Cost (to Schedule IA.)	\$	249,971.24

* Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

** Supplier's tariff sheets or notices are attached

SCHEDULE III
SUPPLIER REFUND ADJUSTMENT

Details for the 6 months ended October 31, 2009

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	-0-
+ Interest	\$	-0-
<hr/>		<hr/>
= Refund Adjustment including interest	\$	-0-
/ sales for 12 months ended October 31, 2009	Mcf	<u>25,356</u>
<hr/>		
= Supplier Refund Adjustment for the Reporting Period (to Schedule IB.)	\$/Mcf	-0-

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 6 month period ended October 31, 2009

<u>Particulars</u>	<u>Unit</u>	Month 1 <u>May-09</u>	Month 2 <u>Jun-09</u>	Month 3 <u>Jul-09</u>
Total Supply Volume Purchased	Mcf	952	680	726
Total Cost of Volume Purchased	\$	\$ 12,787.73	\$ 13,265.14	\$ 14,505.68
/ Total Sales (may not be less than 95% of supply volumes)	Mcf	952	680	726
= Unit Cost of Gas	\$/Mcf	13.4325	19.5076	19.9803
- EGC in effect for month	\$/Mcf	7.1330	7.1330	7.1330
= Difference [(Over-)/ Under-Recovery]	\$/Mcf	6.2995	12.3746	12.8473
x Actual Sales During Period	Mcf	952	680	726
= Monthly cost difference	\$	\$ 5,997.11	\$ 8,414.70	\$ 9,327.12

<u>Particulars</u>	<u>Unit</u>	Month 4 <u>Aug-09</u>	Month 5 <u>Sep-09</u>	Month 6 <u>Oct-09</u>
Total Supply Volume Purchased	Mcf	669	749	1,336
Total Cost of Volume Purchased	\$	\$ 13,328.23	\$ 11,843.16	\$ 16,669.16
/ Total Sales (may not be less than 95% of supply volumes)	Mcf	669	749	1,336
= Unit Cost of Gas	\$/Mcf	19.9226	15.8120	12.4769
- EGC in effect for month	\$/Mcf	6.9871	6.9871	6.9871
= Difference [(Over-)/ Under-Recovery]	\$/Mcf	12.9355	8.8249	5.4898
x Actual Sales During Period	Mcf	669	749	1,336
= Monthly cost difference	\$	\$ 8,653.86	\$ 6,609.82	\$ 7,334.39

Total cost difference (Month 1 + Month 2 + Month 3 + Month 4 + Month 5 + Month 6)	\$	46,337.01
/ Sales for 12 months ended October 31, 2009.	Mcf	25,356
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	1.8275

SCHEDULE V
BALANCE ADJUSTMENT

For the 6 month period ended October 31, 2009

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1) Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
Less: Dollar amount resulting from the AA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the AA was in effect.	\$	
Equals: Balance Adjustment for the AA.	\$	_____
(2) Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
Less: Dollar amount resulting from the RA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the RA was in effect.	\$	
Equals: Balance Adjustment for the RA.	\$	_____
(3) Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	34,963.07
Less: Dollar amount resulting from the BA of 1.3403 \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of 25,356 Mcf during the 12-month period the BA was in effect.	\$	
Equals: Balance Adjustment for the BA.	\$	<u>33,984.65</u> <u>978.42</u>
Total Balance Adjustment Amount (1) + (2) + (3)	\$	
/ Sales for 12 months ended <u>October 31, 2009</u> .	Mcf	25,356
<hr/> = Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	<hr/> <u>0.0386</u>

Gasco Distribution Systems, Inc.
 Albany, KY Division
 Energy Adjustment Surcharge

Surcharge Amount \$4,9284
 Total Allowed \$275,635.97

	Unbilled Surcharge Volumes	Surcharge Volumes	Surcharge Dollars	Surcharge Final Bills	Monthly Total	Cumulative Total	Remaining Balance
August, 2008	29	654	3,218.26	4.93	3,223.19	3,223.19	\$272,412.78
September, 2008	17	834	4,110.29	0.00	4,110.29	7,333.48	\$268,302.49
October, 2008	57	1072	5,283.27	0.00	5,283.27	12,616.75	\$263,019.22
November, 2008	743	2969	14,632.49	0.00	14,632.49	27,249.24	\$248,386.73
December, 2008	137	3304	16,283.43	0.00	16,283.43	43,532.67	\$232,103.30
January, 2009	1128	4493	22,138.38	4.93	22,143.31	65,675.98	\$209,959.99
February, 2009	32	4413	21,719.55	29.57	21,749.12	87,425.10	\$188,210.87
March, 2009	21	3414	16,736.89	88.72	16,825.61	104,250.71	\$171,385.26
April, 2009	14	1575	7,668.71	24.64	7,693.35	111,944.06	\$163,691.91
May, 2009	3	952	4,667.30	9.86	4,677.16	116,621.22	\$159,014.75
June, 2009	1	679	3,346.43	0.00	3,346.43	119,967.65	\$155,668.32
July, 2009	4	722	3,558.35	0.00	3,558.35	123,526.00	\$152,109.97
August, 2009	3	666	3,282.36	0.00	3,282.36	126,808.36	\$148,827.61
September, 2009	2	767	3,780.11	0.00	3,780.11	130,588.47	\$145,047.50
October, 2009	4	1332	6,564.81	0.00	6,564.81	137,153.28	\$138,482.69
Total To Date	2,195	27,846	136,990.63	162.65	137,153.28		

23-Dec-09

GASCO DISTRIBUTION SYSTEMS INC. - ALBANY DIVISION
GAS COST ESTIMATE Feb 2010 - Apr 2010

CHARGE TYPE		Feb 2010	Mar 2010	Apr 2010										ANNUAL
NYMEX		\$5.7870	\$5.7460	\$5.7100										
TGP La. (ZONE 1)+.40/MMBTU		\$0.4000	\$0.4000	\$0.4000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
TOTAL		\$6.1870	\$6.1460	\$6.1100	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
TITAN RETAINAGE	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300	0.9300
LESS TITAN RETAINAGE		\$6.6527	\$6.6086	\$6.5699	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
TITAN TRANS FEE	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60
ETNG TRANS FEE	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027	\$0.0027
TOTAL		\$7.2554	\$7.2113	\$7.1726	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027	\$0.6027
VOLUME ESTIMATE(DTH)		4,601	3,556	1,630	0	0	0	0	0	0	0	0	0	9,787
TOTAL (\$) GAS		\$33,382.04	\$25,643.39	\$11,691.33	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$70,717
LOCAL PROD. VOL. (DTH)														0
LOCAL PROD. VOL. (MCF)														\$0
LOCAL PROD. BTU														\$0
LOCAL PROD. COSTS EST.														
LOCAL PROD. TOTAL COSTS \$														0
VOLUME ESTIMATE(MCF)		4,445	3,436	1,575	0	0	0	0	0	0	0	0	0	9,456
BTU CONVERSION	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	1.035	
AVERAGE RATE (MCF)		\$7.5100	\$7.4632	\$7.4231	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	

Feb 2010 - Apr 2010
 \$7.4654 per Mcf

NYMEX Natural Gas Futures

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Month	Price	Change	Low	High
Jan 10	5.7320	0.0630	5.5310	5.7670
Feb 10	5.7870	0.0750	5.5880	5.8160
Mar 10	5.7460	0.0520	5.5540	5.7760
Apr 10	5.7100	0.0390	5.5250	5.7290
May 10	5.7250	0.0310	5.5500	5.7510
Jun 10	5.7810	0.0310	5.6050	5.8110
Jul 10	5.8520	0.0320	5.6740	5.8770
Aug 10	5.9220	0.0350	5.9220	5.9220
Sep 10	5.9540	0.0320	5.9540	5.9540
Oct 10	6.0650	0.0290	5.8940	6.0890
Nov 10	6.3520	0.0210	6.3520	6.3520
Dec 10	6.6780	0.0170	6.5450	6.6890

Average	Price	Change
3 Month Avg	5.7550	0.0633
6 Month Avg	5.7468	0.0485
12 Month Avg	5.9420	0.0381
24 Month Avg	6.1809	0.0197
36 Month Avg	6.2992	0.0136
Peak Avg (Nov10-Mar11)	6.6950	0.0180
Off-Pk Avg (Apr10-Oct10)	5.8584	0.0327

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